

AN ORDINANCE

9 8 3 3 6

AUTHORIZING THE CITY MANAGER OR HER
DESIGNEE TO EXERCISE THE OPTION OF A ONE (1)
YEAR RENEWAL AND EXTENSION OF THE
CURRENT CONTRACT WITH PACIFICARE OF
TEXAS FOR AN ESTIMATED AMOUNT OF
\$839,065.00 TO PROVIDE HEALTH MAINTENANCE
ORGANIZATION (HMO) MEDICARE AND NON-
MEDICARE SERVICE TO ELIGIBLE RETIREES AND
THEIR DEPENDANTS FOR A ONE (1) YEAR TERM
BEGINNING JANUARY 1, 2004 AND ENDING
DECEMBER 31, 2004.

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WHEREAS, Ordinance 92594, passed and approved on September 28, 2000, authorized a three-year contract between the City of San Antonio and PacifiCare of Texas to provide Health Maintenance Organization (HMO) Medicare and non-Medicare service to eligible retirees and their dependants; and

WHEREAS, the original three (3)-year contract will expire on December 31, 2003 but Section VI of original contract provided the City the option of renewing the contract for two (2) additional one (1)-year terms; and

WHEREAS, a benefits committee, which reviewed PacifiCare of Texas' performance to include plan benefits, plan premiums, and customer satisfaction, recommends renewal and extension of the contract; and

WHEREAS, the City Council wishes to exercise its option to renew and extend the term of said contract for the first one (1)-year renewal term; and

WHEREAS, the City Council wishes to authorize the City Manager or her designee to execute a renewal and extension of the HMO contract between the City of San Antonio and PacifiCare of Texas for a one (1) year period commencing January 1, 2004, and ending December 31, 2004; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or her designee is hereby authorized to execute a renewal and extension of the HMO contract, extending for a one (1)-year period the term of the contract authorized in Ordinance No. 92594 passed and approved on September 28, 2000, with PacifiCare of Texas. A copy of said renewal and extension of the HMO contract is attached hereto as Exhibit A. Said extension shall be for a one (1) year period commencing January 1, 2004 and ending December 31, 2004 unless terminated earlier pursuant to the terms of contract authorized in Ordinance No. 92594 or the terms contained in said renewal and extension.

SECTION 2. The amount of \$724,564.00 is to be appropriated in the Employee Benefits Insurance Program (75-002), in Index Code 477760, entitled TMRS Retirees: PacifiCare, and is to be made payable to PacifiCare of Texas, for provision of a Health Maintenance Organization (HMO) Medicare and Non-Medicare for the period beginning January 1, 2004 and ending December 31, 2004.

SECTION 4. The amount of \$114,501.00 is to be appropriated in the Employee Benefits Insurance Program (75-002), in Index Code 477778, entitled F & P Retirees: PacifiCare, and is to be made payable to PacifiCare of Texas, for provision of a Health Maintenance Organization (HMO) Medicare and Non-Medicare for the period beginning January 1, 2004 and ending December 31, 2004.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio, The Director, may subject to concurrence by the City Manager or the City Manager's designee, correct allocation to specific index codes and fund numbers as necessary to carry out the purpose of this Ordinance.

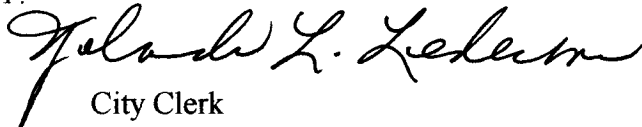
SECTION 6. This ordinance shall be effective on and after the tenth day after passage hereof.

PASSED AND APPROVED this 16th day of October, 2003.

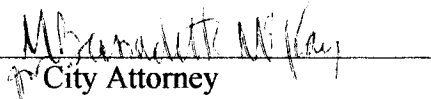

M A Y O R

EDWARD D. GARZA

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney